



# UNITED STATES PATENT AND TRADEMARK OFFICE

UNITED STATES DEPARTMENT OF COMMERCE

United States Patent and Trademark Office

Address: COMMISSIONER FOR PATENTS

P.O. Box 1450

Alexandria, Virginia 22313-1450

www.uspto.gov

APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/877,596	06/08/2001	Barry H. Schwab	VID-01602/29	1588
25006 7590 05/21/2010 GIFTORD, KRASS, SPRINKLE, ANDERSON & CITKOWSKI, P.C PO BOX 7021 TROY, MI 48007-7021				
EXAMINER				
JACOBS, LASHONDA T				
ART UNIT		PAPER NUMBER		
2457				
MAIL DATE		DELIVERY MODE		
05/21/2010		PAPER		

**Please find below and/or attached an Office communication concerning this application or proceeding.**

The time period for reply, if any, is set in the attached communication.

UNITED STATES PATENT AND TRADEMARK OFFICE

---

BEFORE THE BOARD OF PATENT APPEALS  
AND INTERFERENCES

---

*Ex parte* BARRY H. SCHWAB and JOHN G. POSA

---

Appeal 2009-001262  
Application 09/877,596  
Technology Center 2400

---

Decided: May 24, 2010

---

Before, JOHN A. JEFFERY, JOSEPH L. DIXON, and JEAN R. HOMERE,  
*Administrative Patent Judges.*

Opinion for the Board filed by DIXON, *Administrative Patent Judge.*

Opinion Concurring filed by JEFFERY, *Administrative Patent Judge.*

DECISION ON APPEAL

## STATEMENT OF THE CASE

Appellants seek our review under 35 U.S.C. § 134 of the Examiner's final decision rejecting claims 1-12. We have jurisdiction over the appeal under 35 U.S.C. § 6(b).

We AFFIRM.

## BACKGROUND

Appellants' invention is directed to a method for secured transactions conducted over computer networks (Spec. 1).

Claim 1 is illustrative:

1. A secure transaction method, comprising the steps of:  
  
establishing an electronically accessible verification site authorized by the holder of a credit card;  
  
receiving a request for goods or services at a merchant location using the credit card, but wherein the card is not physically presented to the merchant; and  
  
accessing the verification site by the merchant to determine whether the request for goods or services is legitimate.

The Examiner relies on the following prior art references as evidence of unpatentability:

Khidekel	US 2001/0027527 A1	Oct. 4, 2001
	(effective filing date,	Feb. 25, 2000)
Messner	US 2001/0051902 A1	Dec. 13, 2001
		Filed Jun. 8, 2001

Appellants appeal the following rejections:

1. Claims 1-4 and 7-12 stand rejected under 35 U.S.C. § 102(e) as anticipated by Khidekel.
2. Claims 5 and 6 stand rejected under 35 U.S.C. § 103 (a) as unpatentable over Khidekel and Messner.

#### APPELLANTS' CONTENTION

Appellants contend that both inventors have submitted affidavits testifying that a disclosure document was transmitted from inventor Schwab to inventor Posa on February 20, 2000, five days earlier than the effective filing date of the Khidekel reference. Thus, Khidekel can not be qualified as a prior art reference. App. Br. 2.

#### ISSUE

Has the Examiner erred in finding that the affidavit submitted by one of the inventors lacks proper execution to antedate the cited reference Khidekel?

#### PRINCIPLES OF LAW

35 U.S.C § 102(e) rejection can be overcome by antedating the filing date of the reference by submitting an affidavit or declaration under 37 C.F.R. 1.132 . . . *In re Mathews*, 408 F.2d 1393 (CCPA 1969).

#### FACTUAL FINDINGS

1. We adopt the Examiner's findings in the Answer and Final Rejection as our own (Ans. 2 ¶2, Final 2 ¶2).
2. We find that Mr. Schwab filed an original affidavit on December 3, 2004. We find the original affidavit was not made under oath before a notary public, magistrate, or officer authorized to administer oaths.

We find that the copy submitted with the Appeal Brief was a copy of the originally executed affidavit.

3. We find that Mr. Posa filed an affidavit on September 15, 2005 under oath before a notary public. The affidavit declares that Mr. Posa was a co-inventor of the instant invention.

### ANALYSIS

Appellants contend that “[b]oth the inventors have submitted affidavits testifying to the fact that a disclosure document was transmitted from inventor Schwab to inventor Posa on February 20, 2000,” (App. Br. 2) and “[a]s both affidavits are signed under oath, these should be taken as facts in support of the requisite evidence to establish diligence.” (App. Br. 3).

We disagree with the Appellants’ contentions. We agree with the Examiner’s finding that there is lack of proper execution on the affidavit by Mr. Schwab (FF 1 and FF 2). In addition, even though MPEP § 715.04 I(B) allows to accept the affidavit filed by only one of two joint inventors who is the sole inventor for a claim or claims under a rejection, we only find that Mr. Posa is co-inventor for all claims (FF 3) and therefore both affidavits are required.

Accordingly, we find Mr. Schwab’s affidavit is defective, and we find no other substantive arguments in the record to show error in the Examiner’s rejections under 35 U.S.C. § 102(e) and 35 U.S.C. § 103(a). Therefore, we sustain the Examiner’s rejections under 35 U.S.C. § 102(e) and 35 U.S.C. § 103(a).

DECISION

We affirm the Examiner's § 102(e) rejection of claims 1-4 and 7-12 as anticipated by Khidekel.

We also affirm the Examiner's § 103 rejection of claims 5 and 6 as unpatentable over Khidekel in view of Messner.

TIME PERIOD

No time period for taking any subsequent action in connection with this appeal may be extended under 37 C.F.R. § 1.136(a). *See* 37 C.F.R. § 1.136(a)(1) (2009).

ORDER

AFFIRMED

JEFFERY, Administrative Patent Judge, CONCURRING:

I agree with the majority that the Schwab affidavit is technically defective, and that deficiency is fatal to Appellants' attempt to antedate the Khidekel prior art reference. A harsh result, but one that is nevertheless justified by the procedural infirmities on the record.

Although affidavits (i.e., written statements made under oath) are not required as evidence in this regard, *see* 37 C.F.R. § 1.68; *see also* MPEP § 715.04(II), even if the defective Schwab affidavit could somehow be considered an unsworn declaration, it too would be defective since it lacks the requisite acknowledgment under 35 U.S.C. § 1001 regarding the consequences of willful false statements. *See* MPEP § 715.04(II) (noting that declarations *must* contain this acknowledgment) (emphasis added).

But leaving these procedural technicalities aside, the actual content of both the Schwab and Posa affidavits falls well short of establishing reasonable diligence from conception to constructive reduction to practice which, for purposes of this discussion, I presume to be the filing date of Appellants' provisional application (June 9, 2000).

Even assuming that reasonable diligence need only be shown from the day the disclosure document was communicated (February 20, 2000) to June 9, 2000 (the provisional application filing date), Appellants provide no evidence of such diligence on this record apart from alleging unspecified "discussions and refinements which occurred on a regular basis[.]" *See* Schwab Aff., at ¶ 4; *see also* Posa Aff., at ¶ 5 (same).

Such vague, general statements hardly satisfy the relatively rigorous requirements needed to prove diligence—even during the relatively short

time period between February and June 2000. Simply put, Appellants must account for the *entire* critical time period to show diligence. *Gould v. Schawlow*, 363 F.3d 908, 919 (CCPA 1966) (emphasis added). Indeed, the MPEP is replete with case citations for this very proposition. *See* MPEP 2138.06. Based on these authorities, this record simply falls well short of showing diligence with the requisite particularity.

Therefore, even if the submitted affidavits were properly executed, I would still find them substantively deficient, at least regarding evidencing diligence during the critical period. Nevertheless, I join my colleagues in affirming the Examiner's rejection for the reasons indicated in the majority opinion.

erc

GIFFORD, KRASS, SPRINKLE, ANDERSON & CITKOWSKI, P.C.  
P.O.BOX 7021  
TROY, MI 48007-7021